

## SENATE BILL NO. 272

INTRODUCED BY D. MCGEE

A BILL FOR AN ACT ENTITLED: "AN ACT EXCLUDING PUBLIC SCHOOLS FROM THE DEFINITION OF PUBLIC FACILITIES FOR THE PURPOSE OF IMPOSING IMPACT FEES; AMENDING SECTION 7-6-1601, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 7-6-1601, MCA, is amended to read:

**"7-6-1601. Definitions.** As used in this part, the following definitions apply:

(1) (a) "Capital improvements" means improvements, land, and equipment with a useful life of 10 years or more that increase or improve the service capacity of a public facility.

(b) The term does not include consumable supplies.

(2) "Connection charge" means the actual cost of connecting a property to a public utility system and is limited to the labor, materials, and overhead involved in making connections and installing meters.

(3) "Development" means construction, renovation, or installation of a building or structure, a change in use of a building or structure, or a change in the use of land when the construction, installation, or other action creates additional demand for public facilities.

(4) "Governmental entity" means a county, city, town, or consolidated government.

(5) (a) "Impact fee" means any charge imposed upon development by a governmental entity as part of the development approval process to fund the additional service capacity required by the development from which it is collected. An impact fee may include a fee for the administration of the impact fee not to exceed 5% of the total impact fee collected.

(b) The term does not include:

(i) a charge or fee to pay for administration, plan review, or inspection costs associated with a permit required for development;

(ii) a connection charge;

(iii) any other fee authorized by law, including but not limited to user fees, special improvement district assessments, fees authorized under Title 7 for county, municipal, and consolidated government sewer and water

districts and systems, and costs of ongoing maintenance; or

(iv) onsite or offsite improvements necessary for new development to meet the safety, level of service, and other minimum development standards that have been adopted by the governmental entity.

(6) "Proportionate share" means that portion of the cost of capital system improvements that reasonably relates to the service demands and needs of the project. A proportionate share must take into account the limitations provided in 7-6-1602.

(7) (a) "Public facilities" means:

~~(a)~~(i) a water supply production, treatment, storage, or distribution facility;

~~(b)~~(ii) a wastewater collection, treatment, or disposal facility;

~~(c)~~(iii) a transportation facility, including roads, streets, bridges, rights-of-way, traffic signals, and landscaping;

~~(d)~~(iv) a storm water collection, retention, detention, treatment, or disposal facility or a flood control facility;

~~(e)~~(v) a police, emergency medical rescue, or fire protection facility; and

~~(f)~~(vi) other facilities for which documentation is prepared as provided in 7-6-1602 that have been approved as part of an impact fee ordinance or resolution by:

~~(i)~~(A) a two-thirds majority of the governing body of an incorporated city, town, or consolidated local government; or

~~(ii)~~(B) a unanimous vote of the board of county commissioners of a county government.

(b) The term does not include a public school."

**NEW SECTION. Section 2. Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act].

**NEW SECTION. Section 3. Effective date.** [This act] is effective on passage and approval.

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